

COMMONWEALTH OF VIRGINIA  
DEPARTMENT OF MENTAL HEALTH, MENTAL RETARDATION  
AND SUBSTANCE ABUSE SERVICES  
P.O. Box 1797  
Richmond, Virginia 23218

Contract Award Notice

The following contract has been awarded. **Orders are required to be processed through eVA and a copy forwarded to the DMHMRSAS Office of Administrative Services at the above address.**

**CONTRACT NUMBER:** 720C-03833-04M00

**CONTRACT:** Furnish and Install Kronos Incorporated Time Management System to include Hardware, Software and Maintenance as needed and approved.

**USING FACILITY:** All DMHMRSAS Facilities as needed and approved.

**VENDOR:** Kronos Incorporated  
8850 Stanford Boulevard – Suite 2000  
Columbia, Maryland 21045  
Contact - Mr. John Mulhern  
Phone - (443) 393-5411  
Cell - (301) 717-0225

**CONTRACT PERIOD:** July 1, 2006 through June 30, 2007

**TERMS:** Net 30 days

**CONTRACT RENEWALS:** Three (3) additional 12-month periods upon mutual agreement of both parties.

**CONTRACTOR REQUIREMENTS:**

A copy of the contract and contract price list (new price list dated 5-19-2006 to go into effect July 1, 2006) can be found at [www.dmhmrzas.virginia.gov](http://www.dmhmrzas.virginia.gov). Go to Admin & Business, click the Procurements link, click on the Contract Award Notices link and locate the contract.

Please contact the undersigned at (804) 786-6562 or by e-mail at [mike.oprysko@co.dmhmrzas.virginia.gov](mailto:mike.oprysko@co.dmhmrzas.virginia.gov) if you have any questions or wish to report any problems regarding this contract.

By: Michael J. Oprysko, CPPB,VCO  
Contract Manager  
Date - June 5, 2006

**COMMONWEALTH OF VIRGINIA**  
**MEMORANDUM OF AGREEMENT**

**THIS DOCUMENT CONSTITUTES AN AGREEMENT BETWEEN:**

**KRONOS Incorporated**, 9100 Arboretum Parkway – Suite 290, Richmond, Virginia 23236, hereinafter referred to as **Contractor**;

**AND**

**The Department of Mental Health, Mental Retardation and Substance Abuse Services, (DMHMRSAS)**, P.O. Box 1797, Richmond, Virginia 23218, hereinafter referred to as **Contracting Agency**;

**AND IS DATED** June 29, 2004

In as much as DMHMRSAS requires certain goods, services and maintenance the Contractor has agreed to provide such goods, services and maintenance, by result of negotiation between the parties, and for and in consideration of the respective undertakings of the parties to this contract, the following agreements are made:

**1.0 PURPOSE:**

The purpose of this agreement is to enter into a fixed price contract with KRONOS Incorporated to furnish, install and maintain on an as needed basis Kronos time management systems, to include hardware, software, annual maintenance and professional services to DMHMRSAS and it's facilities.

**2.0 SCOPE OF WORK:**

The **Contractor** under the terms of this agreement shall:

- 2.1 Provide all materials, labor, supervision, tools, training, equipment and incidentals necessary to furnish and install and render operational an agreed upon automated time management system to DMHMRSAS facilities as required and specified through the issuance of an individual Agency/Facility Purchase Order.
- 2.2 Obtain from any procuring DMHMRSAS facility, a copy of an Agency Purchasing Request (APR) that has been approved in writing by the Virginia Information Technologies Agency (VITA) on any new hardware/software purchase that is \$100,000.00 or over prior to accepting any Agency/Facility purchase order. This requirement shall remain in effect until DMHMRSAS receives notification in writing from VITA rescinding this requirement.
- 2.3 Agree that all equipment, materials and installation work shall comply with the following specifications:
  - 2.3.1 Virginia OSHA Standards.
  - 2.3.2 Virginia Uniform Statewide Building Codes.
- 2.4 Plan and coordinate the performance of the work with the Purchasing Agency's designated representative in order to expedite the work as to cause minimal disturbance of facility operations.

- 2.5 Guarantee that services shall be performed by competent technicians who are employees of the Contractor and familiar with the specific equipment. A competent full-time job foreman shall supervise technicians. The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the work.
- 2.6 The Contractor shall perform all work in accordance with the manufacturer's recommendations, Code requirements and these specifications. The Contractor shall provide all structural supports, mechanical and electrical connections and any other incidental items necessary to provide a completely operational system. Where electrical service work is required to be provided by the Contractor, such work shall be performed by or under the direct supervision of a capital Licensed Electrician per Code requirements. Electrical conductors shall be copper with insulation type suitable for the intended purpose per Code requirements. The Contractor shall pick up and lawfully dispose of all construction debris off state property at the conclusion of each work day.
- 2.7 The Contractor shall mount all hardware and fully test the software (if applicable to the Kronos application). The Purchasing Agency will be responsible unless determined otherwise, for the installation of all network cabling for the file servers and workstations as well as the cabling for the direct connection of the badging terminals to the Ethernet communications network. In addition, the Purchasing Agency will be responsible for supplying 120 VAC power to each clock station. Contractor not providing Ethernet shall be responsible for cabling installation.
- 2.8 The intent is to implement the entire Time and Attendance System with a phased in report. The Purchasing Agency will select the order of installation and coordinate the work with the Contractor. Because of this phase in approach, the Contractor shall adhere to an implementation plan. The Contractor shall be on-site for the amount of time determined necessary by mutual agreement between the Purchasing Agency and the Contractor. In addition, there shall be weekly Contractor/Purchasing Agency meetings throughout the system implementation.
- 2.9 At the conclusion of any installation, the Contractor shall demonstrate to the Purchasing Agency's representative that the work is fully operational and in compliance with these specifications and Codes. Any deficiencies shall be promptly and permanently corrected by the Contractor at the Contractor's sole expense prior to final acceptance of the work.
- 2.10 Ensure that all systems offer remote diagnostic capabilities that allows central support center to troubleshoot the system and/or send or receive data files over phone lines.
- 2.11 Ensure any system purchased under this agreement have the capability of linking with Nurse Scheduling Software (if individual facility purchases the connect interface to do so) to include but is not limited to Anso's and ProMaxis (which replaces Hospec). A connect interface will also provide a true two-way communication allowing the system to communicate punch data to the Nurse Scheduling Software. In addition, the interface shall permit the communication of the Nurse Scheduling Software to the system.
- 2.12 Agree that the connect interface can be configured to interface with the Commonwealth Integrated Personnel Payroll System (CIPPS) and have the capability of posting properly formatted database files for use by other systems.
- 2.13 Agree any system be accessible and usable through a common commercially available database to include but is not limited to Microsoft Access, Sequel and Excel.

- 2.14 Ensure all systems be able to communicate in accordance with TCP/IP protocol as well as commercial standard protocol.
- 2.15 Ensure all badging stations be capable of direct communication through an Ethernet 10 Base T connection without additional conversion devices, unless directed otherwise.
- 2.16 Agree to provide with all systems an automated card scanning device which shall directly interface with KRONOS Time and Attendance Software and allow for automatic entry of additional information to include Paid Time Off (If Applicable).
- 2.17 Provide a system configured with a minimum of five (5) simultaneous PC workstation users. All software functions, including audits and on demand reports shall be accessible at every PC workstation on the network.
- 2.18 Install the system(s) on the existing Ethernet network.
- 2.19 Provide badge terminals that have both visual and audio feedback signifying a successful or unsuccessful badging process. Terminals shall also allow employees to view current and future schedules, total hours worked, review previous punches, employee status, and individual employee or group-specific messaging.
- 2.20 Agree all Time and Attendance systems are password protected at the system, screen, menu and data element level and allow for password protection to be tailored individually for each password user.
- 2.21 Provide badging terminals equipped with bar code reader capable of utilizing an employee badge with an infrared masking over the bar code.
- 2.22 Provide individual badge terminals with sufficient memory to hold a minimum of 100 employees, their current and future schedules, a minimum of 50 department numbers, the number of employee hours worked and a minimum of two (2) individual messages up to 40 characters in length.
- 2.23 Agree that all badge terminals have the capability of receiving and storing a minimum of three (3) schedule days for each employee assigned to particular terminal.
- 2.24 Provide badge terminals that have a minimum of twelve (12) programmable function keys.
- 2.25 Provide badge terminals that have the capability of utilizing a barcode reader device for accurate bar code wand reading.
- 2.26 Agree the badge terminals has the capability of being polled by host computer while simultaneous employee terminal interaction is occurring, including badging in and out, reviewing schedules and all twelve (12) programmable functions referenced in 2.20 above.
- 2.27 Ensure that current and archived historical data is accessible on demand to all manager workstations on the network.
- 2.28 Provide a system that has reports for budget including both hours and wages to include a budget versus actual report. System should be capable of providing data that may be used for a full time equivalency report.

- 2.29 Agree that all badge terminals have both audio and visual indicators to reflect good and bad swipe of the badge.
- 2.30 Provide barcode terminals that meet the following requirements:
  - 2.30.1 Battery backup for a minimum of 12 hours.
  - 2.30.2 Ability to hold its program for a minimum of 24 hours.
  - 2.30.3 Configurable for PIN entries without a reader up to 16 digits.
  - 2.30.4 Sufficient memory for 500 employees and all punches for a week.
  - 2.30.5 Programmable with daily downloading information such as names, schedules and programs.
- 2.31 Agree that all hardware and software utilized shall be “off-the-shelf” type.
- 2.32 Provide software that meets the following requirements(If Applicable):
  - 2.32.1 Agree that any system software shall have the capability of receiving schedules from the Nurse Scheduling Software staffing application software and sending future schedules to badging terminals.
  - 2.32.2 Agree all Time and Attendance software is able to run in a Win 95/2000/Win NT environment on a network and server. If the operating server is Novelle NetWare, the system shall at a minimum be Novelle Version 4.0.
  - 2.32.3 Ensure the Time and Attendance software to be furnished to using agency is configured for the most appropriate number of employees employed by the facility.
  - 2.32.4 Agree the software has the capability for automatic scheduling of events such as report generation, on a specific hour, day, week, or month as well as scheduling the polling of all clocks and organizing the data for the user daily. System shall also be capable of automatically polling information from terminals located in specified facility(ies) and run specific reports at user specified intervals without user intervention.
  - 2.32.5 Provide Time and Attendance software that maintains a complete audit trail for all edits to the employee database. Audit trail will display date time and password and is capable of providing printable reports in time and data sequence.
  - 2.32.6 Provide software that permits audits whereby the effects of the corrections and/or changes can immediately be seen without exiting the function.
  - 2.32.7 Parameter driven.
  - 2.32.8 Supports weekly, biweekly, semi-monthly and monthly pay periods.
  - 2.32.9 Supports a minimum of 125 different pay classifications.
  - 2.32.10 Supports a minimum of 50 departments numerically, alphabetically, or a combination of both.
  - 2.32.11 Supports a minimum of 125 pay categories configurable by the using agency.
  - 2.32.12 Allows messages or prompts for information to be alterable by using agency.
  - 2.32.13 Allows in the class profile set-up, the ability to decide which terminals and employees can punch on.
  - 2.32.14 Capability of flagging exceptionally long or short shifts, by department or employee.
  - 2.32.15 Capability of rounding intervals of time and individual punches. Software also shall be able to round unscheduled punches differently than those of a normal scheduled punch to meet FLSA requirements.
  - 2.32.16 Capability of applying rounding rules to each employee and supports forward and backward rounding.

- 2.32.17 Capability to separate rounding intervals, i.e., employee schedule starts at 7 a.m., if employee punches in between 6:45 a.m. and 7 a.m., the punch will round to 7 a.m. but, if employee punches in between 6:30 a.m. and 6:45 a.m., the punch shall record the actual time.
- 2.32.18 Supports day, evening, night and weekend differentials. Weekend differentials shall work in conjunction with existing with existing differentials, such as evening and night.
- 2.32.19 Supports multiple daily overtime limits.
- 2.32.20 Capability of handling charge-nurse and other special pay policies.
- 2.32.21 Capable of flagging special pay rates to employees who work on scheduled days off.
- 2.32.22 Configurable for a minimum of six (6) daily shift intervals and more than two (2) weekly overtime limits.
- 2.32.23 Allows a minimum of 250 user definable comments to be made on exceptions.
- 2.32.24 Configurable so that one communication port can support up to 99 terminals.
- 2.32.25 Capable of tracking paid time off and non-productive hours.
- 2.32.26 Contains global easy to use auditing features that are contained on a single screen and allows audits to be performed for all employees by department or other classification.
- 2.32.27 Maintains an audit trail on all reports.
- 2.32.28 Supports an exempt employee feature allowing for automatic hours for non-punching employees each pay period.
- 2.32.29 Permits special transactions to be keyed in to include but may not be limited to, jury duty, sick time and funeral leave.
- 2.32.30 Password protected in a manner that supervisors can only access the records of their employees within their department.
- 2.32.31 Supports print spooling over a network.
- 2.32.32 Contains editing functions to include but is not limited to, add a punch, delete punch, change punch and add non-productive hours.
- 2.32.33 Capable of downloading an ASCII file to a disk with the ability to convert into an Excel or Access file.
- 2.32.34 Support as a minimum, the following types of punch exceptions; early in, early out, late in, late out, very early in, very early out, short shift, long shift and tardy.
- 2.32.35 Produces absent reports with comments on reasons for absence, and punch detail reports that are easy to read and capable of handling employee demographic information and department transfers.
- 2.32.36 Ability to generate reports for time frames such as current and/or previous pay period and for any given day or range of days and capable of sending these reports to the screen, printer or to a disk.
- 2.32.37 Allows the using agency to scroll forward and back through all of the employee records.
- 2.32.38 Capable of generating macros to automatically perform listed sequences more than 5 times per day without user intervention such as, poll of all clocks, update totals, download employee-specific totals to home clock and run a missing punch exception report by supervisor by department.
- 2.32.39 Capable of immediately displaying the effect of audits and/or changes on the screen.
- 2.32.40 Allows users to enter non-productive and Paid Time Off (PTO) time.
- 2.32.41 Allows for viewing of calculated hours in each pay category while auditing.
- 2.32.42 Ability to enter employee schedules for other departments not supplied through the nurse scheduling interface.
- 2.32.43 Enables access to information on-line and up-to-the-minute as well as allowing quick access to all reports in the system.
- 2.32.44 Automates repetitive operations without user participation.
- 2.32.45 Equipped with back-up and restore functions.

- 2.32.46 Utilizes one central error file that records all operations and errors that occur within the system which is easily accessible and has comprehensive context sensitive on-line help.
  - 2.32.47 Contains a minimum of 250 user-defined reason codes to track lost time.
  - 2.32.48 Guarantees FMLA software will bring organizations into compliance with the Family Medical Leave Act of 1993 (FMLA), in addition will track number of hours an employee has taken under FMLA.
  - 2.32.49 Guarantees Attendance Tracker software tracks no fault attendance policies and applies points and reports perfect attendance. In addition, Attendance Tracker software reports on all employees over a certain percentage of absenteeism and tracks attendance
  - 2.32.50 Calculates vacation and sick/personal leave accrued and taken for each employee.
  - 2.32.51 Ability to calculate leave balances for all leave types up to a minimum of 20 leave types.
  - 2.32.52 Ability to show earnings and accrual of compensatory leave and track accruals and a running balance of lost time.
- 2.33 Software changes for clocks shall be downloadable from a central computer and from an off-site computer utilizing a modem.
  - 2.34 Provide terminals that can perform the following:
    - 2.34.1 Allow for special functions such as charge-nurse.
    - 2.34.2 Allow supervisors to override the automatic lunch deduct.
    - 2.34.3 Ability to obtain the current date and time from the central CPU (and vice versa).
  - 2.35 Provide a system that has the ability to restrict punching to certain terminals so managers can control punching and allows management to restrict certain employees from punching at unauthorized times of day.
  - 2.36 Provide a system that has the ability to handle employees who have multiple jobs with different pay rates, differentials and pay types.
  - 2.37 Provide a system that allows the using agency to configure the time of day at which one day ends and the next day begins and for pay period end and start dates.
  - 2.38 Provide a system that allows changes to pay rules for an employee without affecting previously totaled punches.
  - 2.39 Generate to include but is not limited to the following reports:
    - 2.39.1 Exception reports so that edits may be made to employees with missed and/or late punches.
    - 2.39.2 Individual employee reports within the department job code, pay classification and/or by individual terminal.
    - 2.39.3 Exception reports listing employees with erratic punch activity.
    - 2.39.4 Hours and wage summary report to include pay categories totals only.
    - 2.39.5 Hours and budget versus actual comparisons reports.
    - 2.39.6 Reports with totals in wage, dollars and wage reports of budget versus actual comparisons in dollars.
    - 2.39.7 Audit reports that are available to multiple supervisors simultaneously.
    - 2.39.8 On-demand reports with current and historical information to all managers workstations on the network.

- 2.40 Provide reports that can be printed on an 80 column or 132 column printers or as required to meet the requirements of the using agency.
- 2.41 Provide exception reports with the ability to allow using agency to view employees with exceptions, without having to go through all employees.

The **Contracting Agency** under the terms of this agreement shall:

- 2.42 Require that any DMHMRSAS facility purchasing hardware/software/maintenance/services under this contract through the Commonwealth of Virginia eVA purchasing system shall send via facsimile a copy of the eVA Purchase Order.

### **3.0 Consideration, Compensation and Payment:**

- 3.1 The Contractor shall be paid by the individual Purchasing Agency within 30 days after receipt and acceptance of all hardware and software and upon receipt and approval of a valid invoice. Payment on services, including training and implementation, shall be made within 30 days following completion and receipt and approval of a valid invoice.
- 3.2 All invoices submitted shall display in a prominent place the Agreement number assigned to this document.
- 3.3 Pricing for all hardware/software purchased under this contract and any subsequent renewal period shall be GSA like pricing fixed for a period one (1) year. Pricing discount shall be twenty (20%) percent off most current published list price (June 29, 2004) as provided by Contractor. Prices for training and other implementation-related services will be obtained based on best of case scenario upon evaluation of individual agency resources and infrastructure.
- 3.4 The Contractor agrees to honor any and all pricing under this agreement for professional services and training to any DMHMRSAS facility at a rate of \$187.50 per hour.
- 3.5 The Contractor agrees to honor any and all pricing under this agreement for maintenance to any DMHMRSAS facility currently having a KRONOS Time and Attendance system. This shall include renewal of any maintenance agreements currently held at DMHMRSAS facilities which may terminate or become renewable during the term of this contract. Maintenance pricing for subsequent renewal periods shall not exceed the contract price(s) of the previous contract increased/decreased by no more than the percentage increase/decrease of the "Other Services" category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest twelve (12) months for which statistics are available at the time of each renewal. The Contractor agrees that any DMHMRSAS facility maintenance pricing that has been increased by the above CPI on Kronos hardware/software/licenses currently owned by any DMHMRSAS facility and that was purchased directly through Contractor and covered under an existing maintenance agreement shall not exceed the Contractor's current published maintenance pricing.
- 3.6 Any DMHMRSAS facility reserves the right to cancel an existing maintenance agreement. Any notice of cancellation shall be made by the 15<sup>th</sup> day of any month to be effective on the 1<sup>st</sup> day of the following month. Any DMHMRSAS facility canceling an existing maintenance agreement shall receive a refund from the Contractor for the unused portion within forty-days after receipt of written notice of cancellation.



**4.0 Deliverables:** The Contractor shall:

- 4.1 Submit to the Contracting Agency via facsimile to (804) 786-3827 a copy of all Purchase Orders issued by individual DMHMRSAS facilities.

**5.0 Period of the Agreement:**

- 5.1 This Agreement shall commence upon final execution and shall cover the period beginning July 1, 2004 and continue through June 30, 2005.
- 5.2 If this Agreement is terminated, DMHMRSAS shall be liable only for payment of expenses for services rendered before the effective date of termination.
- 5.3 This Agreement may be extended for five (5) additional 12-month periods upon mutual agreement of both parties

**6.0 General Terms and Conditions:**

- 6.1 **VENDOR'S MANUAL:** This contract is subject to the provisions of the Commonwealth of Virginia *Vendor's Manual* and any revisions thereto, which are hereby incorporated into this contract in their entirety, except as noted below. The procedure for filing contractual claims is in Section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at [www.dgs.state.va.us/dps](http://www.dgs.state.va.us/dps). The appeals procedures set forth in the DMHMRSAS **Administrative Practices and Procedures Manual**; Chapter 5 **Contractual Services** are applicable to these contractual services. A copy of this Chapter is available for review in the offices of the DMHMRSAS.
- 6.2 **APPLICABLE LAW AND COURTS:** This contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The contractor shall comply with applicable federal, state and local laws and regulations.
- 6.3 **ANTI-DISCRIMINATION:** By signing this contract, the contractor certifies to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the *Virginia Public Procurement Act (VPPA)*. If the contractor is a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia*, § 2.2-4343.1E).

In every contract over \$10,000 the provisions in 1. and 2. below apply:

1. During the performance of this contract, the contractor agrees as follows:

- a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
  - b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
  - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.
2. The contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

6.4 **ETHICS IN PUBLIC CONTRACTING:** By signing this contract, the contractor certifies that they have entered into this contract without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other contractor, supplier, manufacturer or subcontractor in connection with this contract, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

6.5 **IMMIGRATION REFORM AND CONTROL ACT OF 1986:** By signing this contract, the contractor certifies that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

6.6 **DEBARMENT STATUS:** By signing this contract, the contractor certifies that they are not currently debarred from contracting with or submitting proposals on contracts by any agency of the Commonwealth of Virginia, nor are they an agent of any person or entity that is currently debarred from submitting proposals on contracts by any agency of the Commonwealth of Virginia.

6.7 **ANTITRUST:** By entering into a contract, the contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of the action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.

## 6.8 PAYMENT:

### 1. To Prime Contractor:

- a. Invoices for items ordered, delivered and accepted shall be submitted by the contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
- b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
- c. All goods or services provided under this contract, that are to be paid for with public funds, shall be billed by the contractor at the contract price, regardless of which public agency is being billed.
- d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
- e. **Unreasonable Charges.** Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia*, § 2.2-4363).

### 2. To Subcontractors:

- a. The contractor (if applicable) under this contract is hereby obligated:
  - (1) To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
  - (2) To notify the agency and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.

- b. The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary contract. A contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

6.9 **PRECEDENCE OF TERMS:** Paragraphs 8.1 – 8.8 of these General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

6.10 **TESTING AND INSPECTION:** The DMHMRSAS reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

6.11 **ASSIGNMENT OF CONTRACT:** A contract shall not be assignable by the contractor in whole or in part without the written consent of the Commonwealth.

6.12 **CHANGES TO THE CONTRACT:** Changes can be made to the Contract in any one of the following ways:

1. The parties may agree in writing to modify the scope of the contract. Any increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
2. The DMHMRSAS may order changes within the general scope of the contract at any time by written notice to the Contractor. Changes within the scope of the contract include, but are not limited to things such as scope of services to be provided, reporting requirements or cost of services. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the DMHMRSAS a credit for any savings. Said compensation shall be determined by one of the following methods:
  - a. By mutual agreement between the parties in writing; or
  - b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the DMHMRSAS's right to audit the Contractor's records and/or to determine the correct number of units independently; or

- c. By ordering the Contractor to proceed with the work and to keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the DMHMRSAS with all vouchers and records of expenses incurred and savings realized. The DMHMRSAS shall have the right to audit the records of the Contractor, as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the DMHMRSAS within thirty (30) days from the date of receipt of the written order from the DMHMRSAS. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia's *Vendor's Manual*. Neither the existence of a claim or a dispute resolution process, litigation or any other provision of this contract shall excuse the Contractor from promptly complying with the changes ordered by the DMHMRSAS or with the performance of the contract generally.

6.13 **DEFAULT:** In case of failure to deliver good or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.

6.14 **INSURANCE:** By signing this contract, the contractor certifies, it will have the following insurance coverages at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*.

The contractor further certifies that the contractor and any subcontractors will maintain these insurance coverages during the entire term of the contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

**INSURANCE COVERAGES AND LIMITS REQUIRED:**

1. Worker's Compensation - Statutory requirements and benefits.
2. Employers Liability - \$100,000.
3. Commercial General Liability - \$500,000 combined single limit. Commercial General Liability is to include Premises/Operations Liability, Products and Completed Operations Coverage, and Independent Contractor's Liability or Owner's and Contractor's Protective Liability. The Commonwealth of Virginia must be named as an additional named insured when requiring a Contractor to obtain Commercial General Liability coverage.
4. Automobile Liability - \$500,000 - Combined single limit.

6.15 **ANNOUNCEMENT OF AWARD:** Upon the award or the announcement of the decision to award a contract over \$30,000, the purchasing agency will publicly post such notice on the DGS/DPS eVA web site ([www.eva.state.va.us](http://www.eva.state.va.us)) for a minimum of 10 days. In addition, the purchasing agency will publicly post such notice on the DMHMRSAS Office of Administrative Service's bulletin board located on the 1<sup>st</sup> floor of the Jefferson Building – 1220 Bank Street, Richmond, Virginia 23219 for a minimum of 10 days.

6.16 **DRUG FREE WORKPLACE:** During the performance of this contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

6.17 **NONDISCRIMINATION OF CONTRACTORS:** A contractor shall not be discriminated against in the award of this contract because of race, religion, color, sex, national origin, age, or disability or against faith-based organizations. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

6.18 **eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION:** The eVA Internet electronic procurement solution, web site portal [www.eva.state.va.us](http://www.eva.state.va.us), streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA; failure to register will result in the bid/proposal being rejected.

- a. eVA Basic Vendor Registration Service: \$25 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is \$500 per order. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, and electronic bidding.
- b. eVA Premium Vendor Registration Service: \$200 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is \$500 per order. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments, and ability to research historical procurement data, as they become available.

## 7.0 Special Terms and Conditions:

- 7.1 **ASBESTOS:** Whenever and wherever during the course of performing any work under this contract, the contractor discovers the presence of asbestos or suspects that asbestos is present, he shall stop the work immediately, secure the area, notify the building owner and await positive identification of the suspect material. During the downtime in such a case, the contractor shall not disturb any surrounding surfaces but shall protect the area with suitable dust covers. In the event the contractor is delayed due to the discovery of asbestos or suspected asbestos, then a mutually agreed extension of time to perform the work shall be allowed the contractor but without additional compensation due to the time extension.
- 7.2 **AUDIT:** The contractor shall retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.
- 7.3 **AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.
- 7.4 **CANCELLATION OF CONTRACT:** The Contracting Agency reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the contractor. In the event the initial contract period is for more than 12 months, the resulting contract may be terminated by either party, without penalty, after the initial 12 months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve either party of any respective contractual obligations accrued prior to the effective date of cancellation.
- 7.5 **CONFIDENTIALITY:** The Contractor assures that any information and data obtained as to personal facts and circumstances related to clients or staff will be held confidential, during and following the term of this agreement, and will not be divulged, except as required to legally meet mandatory requirements, without the individual's and the DMHMRSAS's written consent and then only in strict accordance with prevailing laws. The Contractor shall hold all information provided by the DMHMRSAS as proprietary and confidential, and shall make no unauthorized reproduction or distribution of such material, in the event it is identified as Governor's Working Documents, Attorney-Client Privileged, related to procurement and contracting processes, or is otherwise exempt from Code of Virginia, Freedom of Information statutes. Upon termination of this agreement and/or within 90 days of receipt of final payment for services, all materials and information in the possession of the Contractor, that may include but is not limited to patient medical and legal records, shall be restored or provided to the DMHMRSAS and electronic information and data in possession of the Contractor shall be provided to the DMHMRSAS in digital form upon media designated by the DMHMRSAS and will be expunged from equipment and systems retained by the Contractor.
- 7.6 **CONTRACTOR/SUBCONTRACTOR LICENSE REQUIREMENT:** By my signature on this agreement, I certify that this firm/individual and/or subcontractor is properly licensed for providing the goods/services specified.

Contractor Name: \_\_\_\_\_ Subcontractor Name: \_\_\_\_\_

License # \_\_\_\_\_ Type \_\_\_\_\_

- 7.7 **CONTRACTOR REGISTRATION:** If a contract for construction, removal, repair or improvement of a building or other real property is for seventy thousand dollars (\$70,000) or more, or if the total value of all such contracts undertaken by the Contractor within any twelve-month period is five hundred thousand dollars (\$500,000) or more, the Contractor is required under Title 54.1, Code of Virginia (1950), as amended, to be licensed by the State Board of Contractors as a "CLASS A CONTRACTOR." If such a contract is for seventy five hundred dollars (\$7,500) or more but less than seventy thousand dollars (\$70,000), (one thousand dollars [\$1,000] for electrical, plumbing and HVAC work) the bidder is required to be licensed as a "CLASS B CONTRACTOR."

If such a contract is for one thousand dollars (\$1,000) or more but less than seventy five hundred dollars (\$7,500) and is not for electrical, plumbing and HVAC work, the bidder is required to be licensed as a "CLASS C CONTRACTOR." The Contractor shall place in the space below the appropriate information, inserting his contractor license number:

Licensed Class A Virginia Contractor No. \_\_\_\_\_  
Specialty \_\_\_\_\_  
Licensed Class B Virginia Contractor No. \_\_\_\_\_  
Specialty \_\_\_\_\_  
Licensed Class C Virginia Contractor No. \_\_\_\_\_  
Specialty \_\_\_\_\_

- 7.8 **CONTRACTOR'S TITLE TO MATERIALS:** No materials or supplies for the work shall be purchased by the contractor or by any subcontractor subject to any chattel mortgage or under a conditional sales or other agreement by which an interest is retained by the seller. The contractor warrants that he has clear title to all materials and supplies for which he invoices for payment.
- 7.9 **DELIVERY AND STORAGE:** It shall be the responsibility of the contractor to make all arrangements for delivery, unloading, receiving and storing materials in the building during installation. The owner will not assume any responsibility for receiving these shipments. Contractor shall check with the owner and make necessary arrangements for security and storage space in the building during installation.
- 7.10 **EXTRA CHARGES NOT ALLOWED:** The pricing provided to the individual Purchasing Agency's shall be for complete installation ready for the Commonwealth's use, and shall include all applicable freight and installation charges, training and implementation-related services; extra charges will not be allowed.
- 7.11 **FINAL INSPECTION:** At the conclusion of the work, the contractor shall demonstrate to the authorized owners representative that the work is fully operational and in compliance with contract specifications and codes. Any deficiencies shall be promptly and permanently corrected by the contractor at the contractor's sole expense prior to final acceptance of the work.
- 7.12 **INSPECTION OF JOB SITE:** By signing this agreement, the Contractor agrees to inspect all job site(s) and will become aware of the conditions under which the work must be accomplished. Claims, as a result of failure to inspect the job site, will not be considered by the Commonwealth.
- 7.13 **INSTALLATION:** All items must be assembled and set in place, ready for use. All crating and other debris must be removed from the premises.



- 7.14 **MAINTENANCE MANUALS:** The contractor shall provide with each piece of equipment an operations and maintenance manual with wiring diagrams, parts list, and a copy of all warranties.
- 7.15 **PREVENTIVE MAINTENANCE:** The contractor shall provide necessary preventive maintenance, required testing and inspection, calibration and/or other work necessary to maintain the equipment in complete operational condition during the warranty period.
- 7.16 **PRIME CONTRACTOR RESPONSIBILITIES:** The contractor shall be responsible for completely supervising and directing the work under this contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this contract shall be responsible to the prime contractor. The contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.
- 7.17 **RENEWAL OF CONTRACT:** This contract may be renewed by the Commonwealth for five (5) additional one year (12 months) periods under the terms and conditions of the original contract except as stated in 1. and 2. below. Price increases shall only be considered at the time of renewal. Written notice of the Commonwealth's intention to renew will be given approximately 30 to 90 days prior to the expiration date of each contract period.
1. If the Contracting Agency elects to exercise the option to renew the contract for an additional one year period, the contract price(s) for hardware/software for the additional one year shall continue to be GSA like pricing with a 20% off most current published list price as provided by Contractor in effect at the time of renewal.
  2. If during any subsequent renewal periods, the Contracting Agency elects to exercise the option to renew the contract, the contract price(s) for hardware/software for the subsequent renewal periods continue to be GSA like pricing with a 20% off most current published list price as provided by Contractor in effect at the time of renewal.
  3. If the Contracting Agency elects to exercise the option to renew the contract for an additional one-year period, the contract price(s) for maintenance contracts at each facility for the additional one year shall not exceed the contract price(s) of the previous maintenance contract increased/decreased by more than the percentage increase/decrease of the "other services" category of the CPI-W section of the Consumer Price Index - of the United States Bureau of Labor Statistics for the latest twelve (12) months for which statistics are available as of the date of renewal.
  4. If during any subsequent renewal periods, the Contracting Agency elects to exercise the option to renew the contract, the contract price(s) for maintenance contracts at each facility for the subsequent renewal period shall not exceed the contract price(s) of the previous renewal period increased/decreased by more than the percentage increase/decrease of the "other services" category of the CPI-W section of the Consumer Price Index - of the United States Bureau of Labor Statistics for the latest twelve (12) months for which statistics are available as of the date of renewal.

- 7.18 **SUBCONTRACTS:** No portion of the work shall be subcontracted without prior written consent of the purchasing agency. In the event that the contractor desires to subcontract some part of the work specified herein, the contractor shall furnish the purchasing agency the names, qualifications and experience of their proposed subcontractors. The contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.
- 7.19 **WARRANTY (COMMERCIAL):** The contractor agrees that the goods or services furnished under any award resulting from this solicitation shall be covered by the most favorable commercial warranties the contractor gives any customer for such goods or services and that the rights and remedies provided therein are in addition to and do not limit those available to the Commonwealth by any other clause of this solicitation. A copy of this warranty should be furnished with the bid/proposal.
- 7.20 **WORK SITE DAMAGES:** Any damage to existing utilities, equipment or finished surfaces resulting from the performance of this contract shall be repaired to the Commonwealth's satisfaction at the contractor's expense.
- 7.21 **CONFIDENTIALITY (Commonwealth):** The Commonwealth agrees that neither it nor its employees, representatives, or agents shall knowingly divulge any proprietary information with respect to the operation of the software, the technology embodied therein, or any other trade secret or proprietary information related thereto, except as specifically authorized by the Contractor in writing or as required by the Freedom of Information Act or similar law. It shall be the contractor's responsibility to fully comply with § 11-52 D of the Code of Virginia. All trade secrets or proprietary information must be identified in writing or other tangible form and conspicuously labeled as "proprietary" either prior to or at the time of submission to the Commonwealth.
- 7.22 **EXCESSIVE DOWNTIME:** Equipment or software furnished under the contract shall be capable of continuous operation. Should the equipment or software become inoperable for a period of more than 24 hours, the contractor agrees to pro-rate maintenance charges to account for each full day of in operability. The period of in operability shall commence upon initial notification. In the event the equipment or software remains inoperable for more than consecutive calendar days, the contractor shall promptly replace the equipment or software at no charge upon request of the procuring agency. Such replacement shall be with new, unused product(s) of comparable quality, and must be installed and operational within days following the request for replacement.
- 7.23 **LATEST SOFTWARE VERSION:** Any software product(s) provided under the contract shall be the latest version available to the general public as of the issue date of each individual agency purchase order.
- 7.24 **NEW EQUIPMENT:** Unless otherwise expressly stated in this agreement, any equipment furnished under the contract shall be new, unused equipment.
- 7.25 **OPERATIONAL COMPONENTS:** Unless otherwise requested in the agreement, stated equipment prices shall include all cables, connectors, interfaces, documentation for all components, and any other items necessary for full systems operation at the user site. This does not include consumable supplies such as paper, tapes, disks, etc., unless such supplies are expressly identified in the pricing schedule.

- 7.26 **PRODUCT SUBSTITUTION:** During any term of this agreement, the vendor is not authorized to substitute any item for that product and/or software identified in the agreement to include the attachment, without the prior written consent of the contracting officer whose name appears on the front of this solicitation, or their designee.
- 7.27 **QUALIFIED REPAIR PERSONNEL:** All warranty or maintenance services to be performed on the items specified in this solicitation as well as any associated hardware or software shall be performed by qualified technicians properly authorized by the manufacturer to perform such services. The Commonwealth reserves the right to require proof of certification prior to award and at any time during the term of the contract.
- 7.28 **RELOCATION OF EQUIPMENT:** Should it become necessary to move equipment covered by the contract to another location, the Commonwealth reserves the right to do so at its own expense. If contractor supervision is required, the Commonwealth will provide prior written notice of the move at least thirty days in advance, in which case the contractor shall provide the required services and be reasonably compensated by the Commonwealth. Both the compensation to be paid and any adjustment to the maintenance terms resulting from the move shall be as mutually agreed between the parties. Regular maintenance charges shall be suspended on the day the equipment is dismantled and resume once the equipment is again certified ready for operational use.
- 7.29 **REPAIR PARTS:** In the event that the performance of maintenance services under the contract results in a need to replace defective parts, such items may only be replaced by new parts. In no instance shall the contractor be permitted to replace defective items with refurbished, remanufactured, or surplus items without prior written authorization of the Commonwealth.
- 7.30 **SERVICE PERIOD (ROUTINE):** Contractor shall provide 24 hour toll free phone support with a eight hour or less return call response time. On-site maintenance services shall carry a eight hour or less hour response time following initial notification and be available during the normal working hours of 8 A.M. to 5 P.M. Monday through Friday, excluding state holidays. All necessary repairs or corrections shall be completed within twenty-four hours or less of the initial notification.
- 7.31 **SERVICE REPORTS:** Upon completion of any maintenance call, the contractor shall provide the agency with a signed service report that includes, at a minimum: a general statement as to the problem, action taken, any materials or parts furnished or used, and the number of hours required to complete the repairs.
- 7.32 **SOFTWARE UPGRADES:** The Commonwealth shall be entitled to any and all upgraded versions of the software covered in the contract that becomes available from the contractor. The maximum charge for upgrade shall not exceed the total difference between the cost of the Commonwealth's current version and the price the contractor sells or licenses the upgraded software under similar circumstances.

- 7.33 **SOURCE CODE ESCROW:** The Contractor agrees to deposit and maintain a current copy of the source code for the Workforce Central Software that is currently in use by the Contracting Agency and/or its facilities and owned by the Contractor (the "Source Code"), including current documentation, with its authorized escrow agent, Data Securities International (DSI). In the event that the Contractor's agreement with DSI terminates or expires, the Contractor shall enter into a new agreement with another suitable escrow agent. In the event that the Contracting Agency and/or its facilities wishes to receive source code escrow services, the Contracting Agency and/or its facilities shall enter into agreement with the authorized escrow agent and comply with applicable registration requirements. Release of Source Code by the escrow agent to the Contracting Agency and/or its facilities for the sole purpose of maintaining the Software shall be authorized only upon the occurrence of one or more of the circumstances specified in the Source Code Escrow Agreement.
- 7.34 **TERM OF SOFTWARE LICENSE:** Unless otherwise stated in the contract, the software license(s) identified in the pricing schedule shall be purchased on a perpetual basis and shall continue in perpetuity. However the Commonwealth reserves the right to terminate the license at any time, although the mere expiration or termination of this contract shall not be construed as an intent to terminate the license. All acquired license(s) shall be for use at any computing facilities, on any equipment, by any number of users, and for any purposes for which it is procured. The Commonwealth further reserves the right to transfer all rights under the license to another state agency to which some or all of its functions are transferred.
- 7.35 **THIRD PARTY ACQUISITION OF SOFTWARE:** The contractor shall notify the procuring agency in writing should the intellectual property, associated business, or all of its assets be acquired by a third party. The Contractor further agrees that the contract's terms and conditions, including any and all license rights and related services, shall not be affected by the acquisition. Prior to completion of the acquisition, the contractor shall obtain, for the Commonwealth's benefit and deliver thereto, the assignee's agreement to fully honor the terms of the contract.
- 7.36 **TITLE TO SOFTWARE:** By signing this contract, the Contractor represents and warrants that it is the sole owner of the software or, if not the owner, that it has received all legally required authorizations from the owner to license the software, has the full power to grant the rights required by this solicitation, and that neither the software nor its use in accordance with the contract will violate or infringe upon any patent, copyright, trade secret, or any other property rights of another person or organization.
- 7.37 **WARRANTY AGAINST SHUTDOWN DEVICES:** The contractor warrants that the equipment and software provided under the contract shall not contain any lock, counter, CPU reference, virus, worm, or other device capable of halting operations or erasing or altering data or programs. Contractor further warrants that neither it, nor its agents, employees, or subcontractors shall insert any shutdown device following delivery of the equipment and software.
- 7.38 **WARRANTY OF SOFTWARE:** The contractor warrants the operation of all software products for a period of twelve (12) months from the date of acceptance. During the warranty period, the contractor shall provide hour toll free phone support and all patches, fixes, revisions, updates, upgrades, and minor releases to both the software and its supporting documentation. In addition, the contractor shall provide a two hour return call response time and complete all necessary patches/fixes within hours of initial notification.

IN WITNESS WHEREOF, and as authorized representatives, the parties have caused this Agreement to be duly executed intending to be bound thereby.

KRONOS

By: Laura S. Vaughan  
Signature

Name: \_\_\_\_\_

Alyce Moore Printed  
Vice President, General Counsel

Title: \_\_\_\_\_

Date: 7/21/04

Department of Mental Health, Mental Retardation  
And Substance Abuse Services

By: Joy S. Lazarus  
Joy S. Lazarus  
Director - Administrative Services

Date: 7/22/04